

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

<b>(1) DEPARTMENT</b> General Services Agency	<b>(2) MEETING DATE</b> 4/2/2013	<b>(3) CONTACT/PHONE</b> Janette Pell, Director 781-5200	
<b>(4) SUBJECT</b> Submittal of a resolution re-adopting the Pre-Qualification Program for General Contractors and Sub-Contractors, pursuant to Public Contract Code Section 20101 to be used for the Women's Jail Expansion Project and Juvenile Hall Expansion Project. District 2.			
<b>(5) RECOMMENDED ACTION</b> It is recommended that the Board: <ol style="list-style-type: none"> <li>1. Approve the Resolution re-adopting the Pre-Qualification Program for General Contractors and Sub-Contractors interested in bidding on the Women's Jail Expansion Project and/or Juvenile Hall Expansion Project; and</li> <li>2. Authorize the General Services Agency Director to release and make addendums as necessary to the Pre-Qualification Packages and notify potential applicants.</li> </ol>			
<b>(6) FUNDING SOURCE(S)</b> Detention Facility Reserves	<b>(7) CURRENT YEAR FINANCIAL IMPACT</b> \$60,000.00	<b>(8) ANNUAL FINANCIAL IMPACT</b> N/A	<b>(9) BUDGETED?</b> Yes
<b>(10) AGENDA PLACEMENT</b> <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
<b>(11) EXECUTED DOCUMENTS</b> <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
<b>(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)</b>		<b>(13) BUDGET ADJUSTMENT REQUIRED?</b> BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
<b>(14) LOCATION MAP</b> Attached	<b>(15) BUSINESS IMPACT STATEMENT?</b> No	<b>(16) AGENDA ITEM HISTORY</b> <input type="checkbox"/> N/A Date: 7/18/2006; 7/17/2007; 12/4/2007; 1/29/2008; 3/11/2008; 9/21/2010; 2/22/2011; 12/13/2011; 4/10/2012; 6/19/2012; 8/28/2012; 12/11/2012; 12/18/2012; 3/26/2013	
<b>(17) ADMINISTRATIVE OFFICE REVIEW</b> Vincent Morici			
<b>(18) SUPERVISOR DISTRICT(S)</b> District 2 -			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: General Services Agency / Janette Pell  
781-5200

DATE: 4/2/2013

SUBJECT: Submittal of a resolution re-adopting the Pre-Qualification Program for General Contractors and Sub-Contractors, pursuant to Public Contract Code Section 20101 to be used for the Women's Jail Expansion Project and Juvenile Hall Expansion Project. District 2.

## **RECOMMENDATION**

It is recommended that the Board:

1. Approve the Resolution re-adopting the Pre-Qualification Program for General Contractors and Sub-Contractors interested in bidding on the Women's Jail Expansion Project and/or Juvenile Hall Expansion Project; and
2. Authorize the General Services Agency Director to release and make addendums as necessary, the Pre-Qualification Packages to potential applicants.

## **DISCUSSION**

The County has approved proceeding with the development of two major correctional facility projects involving expansion of the County Women's Jail and Juvenile Hall. These are large projects, which are technically intricate. Both projects are partially funded with State revenue lease bonds which add requirements and establish timeframes that increase the complexity of the process to develop these projects. The General Services Agency (GSA) has determined that the establishment of a process to prequalify contractors is a widely used and accepted process that will assist in identifying contractors that have the expertise, experience, and resources to successfully carry out these projects. Pre-qualification is a means to help manage the risk associated with large and technically complex projects.

In December 2012, the Board approved the Pre-Qualification Program. In January and February 2013, 34 pre-qualification applications were received for the Women's Jail Expansion (WJE) project. Although numerous responses were received, due to the strict requirements set forth, the number of contractors actually qualifying was not adequate. There were nine general contractors that responded yet only one met the requirements. Twenty-five sub-contractors submitted proposals yet only five met the qualifications. The requirements outlined in the Pre-qualification Program have been re-evaluated and adjustments have been made. The revised program is expected to yield at least seven qualified general contractors and three to five sub-contractors per specialty (mechanical, electrical, detention equipment, and security electronics). It is also expected there will be an increased opportunity for local contractors to bid. The recommended revisions are intended to get more qualified contractors and minimize the preparation effort required of contractors that previously submitted. As a result, previous submitters should only require limited revisions to their original proposal.

The primary changes to the pre-qualification application are in Section 4, Part IV – Organization's Recent Construction Projects of the Pre-qualification packet. The information requested in Part IV was reduced to the minimum essential requirements desired for qualification and the information requested is in a simpler format to minimize contractor preparation time and County review time. The changes to Section 4, Part IV include:

- Eliminated plumbing sub-contractor from pre-qualification process because there isn't a specialty needed in relation to detention facilities.
- For General Contractors and the remaining specialty trades (mechanical, electrical, detention equipment, and security electronics):
  - Reduced minimum cost threshold for qualifying projects
  - Reduced minimum number of qualifying projects
  - Modified questions to eliminate overly stringent requirements

As mentioned above, the Pre-Qualification Program is recommended to be used for the County's Women's Jail and Juvenile Hall Expansion projects. Below are brief descriptions of the projects.

#### **Project Background - Women's Jail Expansion (WJE)**

The WJE project was established to address overcrowding conditions for female inmates being held in custody at the San Luis Obispo County Jail. The project is funded by a combination of County and State funds. The State is providing \$25.1 million of AB900 funding for construction costs, which covers 75% of the original estimate for construction expenses for the housing unit and medical facility identified in the application for the State funds. The County is providing \$12.3 million related to the base bid project administration, design, permits, construction management, and the security system.

The project currently consists of three components.

1. A new housing unit for women inmates and a new medical facility that provides medical and programming space for the entire jail complex (Base Bid).
2. A new security system to serve the entire jail complex. The new system will replace an aging security system that uses outdated and unsupported technology (Base Bid).
3. Remodel of the existing Intake/Release Center (IRC) and Sally Port (Optional Bid).

Authorization to bid is estimated to come before the Board in July 2013.

#### **Project Background - Juvenile Hall Expansion (JHE)**

The JHE project is also funded by a combination of County and State funds. The State is providing \$13.1 million of SB81 funding for construction costs, which covers 75% of the original estimate for construction expenses identified in the application for the State funds. The County is providing \$4.05 million related to project administration, design, permits, and construction management.

The proposed design for the facility expansion includes three primary structures and associated site improvements.

1. The proposed housing unit is a single story 8,586 square foot building with 20 single sleeping rooms, 2 counseling/interview rooms and an outdoor recreational yard. The design includes a bid option to add 10 more sleeping rooms to the new housing unit. The option is not funded at this time, and is not eligible for SB81 funding.
2. The expansion includes a two story 9,824 square foot building that will accommodate three classrooms, a teacher's meeting room which will also provide educational instruction to students in a small group or one-on-one environment, and medical support offices on the first floor. The second floor houses staff offices, staff training room, staff showers and lockers, administrative offices and break area.
3. A free-standing 5,006 square foot multipurpose facility is proposed to provide all-weather recreational needs and support for assembly and other programs. The building is undersized for a typical school gym and basketball court. A bid option to enlarge the gym to 5,688 square feet is included in the bid package.

Other site improvements include: a canopy structure from the housing units to the multipurpose building; environmental mitigation improvements for drainage; security fencing; perimeter lighting and cameras; fire access road with hydrants at the south perimeter of the facility; recreational yards; and miscellaneous infrastructure.

Authorization to bid is estimated to come before the Board in October 2013.

### **Pre-Qualification Program**

The GSA is recommending using the pre-qualification process to identify contractors that have successfully completed work of a similar scope, complexity, and magnitude. The goal is to ensure only qualified, responsive, and responsible bidders compete for the construction contract for both the Women's Jail Expansion and Juvenile Hall Expansion projects. GSA intends to pre-qualify both General Contractors and Sub-Contractor trades, including mechanical; electrical, detention equipment; and security electronics.

The approval of the pre-qualification packages will be used for the pre-qualification of general contractors and sub-contractors that may participate in bidding on these projects. Submitted pre-qualification proposals will be reviewed by an Evaluation Committee following the guidelines stipulated in the Public Contract Code and criteria contained in the pre-qualification packages. Once the proposals are evaluated, a list of pre-qualified general contractors and sub-contractors will be created. If a contractor is deemed not qualified, the contractor will have the opportunity to appeal the decision. These qualified contractors and sub-contractors will be asked to submit formal sealed bids for the respective Projects.

Pre-qualification of contractors is important to help reduce project risks by identifying and selecting contractors with the appropriate expertise and resources needed to successfully develop these projects. Given the technical complexity and size of the two projects, it is in the County's best interest to only accept bids from contractors who are experienced and fiscally capable of performing the required work. Sub-contractors will not directly bid on the two projects. Pre-qualified general contractors must select from the pool of pre-qualified sub-contractors for the trades listed above to assemble their lump sum bids for the projects. The Pre-qualification criteria that will be used places emphasis on requiring the general contractor and sub-contractor firms to have experience on correctional projects with an emphasis for general contractors with experience on large projects and projects at operational correctional facilities.

The project-specific Pre-Qualification Program will include a Request for Pre-Qualification (RFPQ) for each of the two projects in the form of a standardized questionnaire to be completed by the construction firms, a uniform rating system to be applied by the County to the Contractor's responses to the RFPQ, and a process that will allow prospective bidders to appeal their proposed pre-qualification rating.

Pursuant to Public Contract Code 20101, the County may require prospective bidders to answer questions contained in a standard questionnaire. The prospective bidders will be required to complete a series of questions that provide a uniform system of qualifying the bidders. An appeal process, an informal hearing, will be established for those potential bidders who do not meet the minimum criteria and desire to appeal the County's decision. The Appeals Panel will consist of staff that has had no involvement in the pre-qualification selection process. The prospective bidder will be given the opportunity to rebut any evidence used as a basis for disqualification. Bidders who choose to appeal will also be allowed to present evidence to the Appeals Panel as to why the prospective bidder should be found qualified. The Appeals Panel will review the information provided and make a final determination.

The pre-qualification package is derived from documents developed by the State Department of Industrial Relations. These documents have been extensively reviewed by the contracting community and have been accepted as the standard documents for establishing a Pre-Qualification Program. Potential bidders who do not successfully qualify under this system will be given adequate notice and allowed to appeal their pre-qualification rating pursuant to the proposed appeal procedure.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel reviewed and approved the subject documents as to legal effect. Approval of the Pre-Qualification Program has been recommended by the Women's Jail Expansion Steering Committee with participants from the Sheriff's Office, Auditor-Controller, County Administrative Office, County Counsel, and General Services Agency. Additionally, the Juvenile Hall Expansion Steering Committee with participants from Probation, County Administrative Office, County Counsel, and General Services Agency approve the Pre-Qualification Program.

### **FINANCIAL CONSIDERATIONS**

In December 2012 the Pre-Qualification Program was estimated to cost \$50,000. This has increased to \$60,000 due the staff hours required to develop the revisions. However, modifications to the Program were identified to streamline the County's review process which should ensure that costs stay within the revised estimate of \$60,000. This cost is included in the current estimated expense and contingencies for both projects.

## **RESULTS**

Re-adoption of the Pre-Qualification Program for the Women's Jail Expansion and Juvenile Hall Expansion projects will help ensure the County only receives bids from contractors who are pre-qualified as having experience, fiscal and staff resources, and expertise needed to perform the work necessary to successfully construct the expansion projects for the Women's Jail and Juvenile Hall.

## **ATTACHMENTS**

1. Resolution Re-Adopting the Pre-Qualification Program
2. Women's Jail Expansion – General Contractor RFPQ
3. Women's Jail Expansion – Sub-Contractor RFPQ
4. Juvenile Hall Expansion – General Contractor RFPQ
5. Juvenile Hall Expansion – Sub-Contractor RFPQ
6. Vicinity Map